



Department of Justice

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U.S., CALIFORNIA ANNOUNCE SETTLEMENT TO CLEAN UP TOXIC POLLUTION IN THE PACIFIC OCEAN

Agreement Calls for \$73 Million To Address DDT Contamination and Restore Wildlife

WASHINGTON, D.C. – Four companies will pay \$73 million to clean up DDT contamination and restore the ocean environment off the coast of Los Angeles under a settlement with the United States and State of California filed today.

The agreement settles a lawsuit brought by the Justice Department and the California Attorney General against Montrose Chemical Corporation of California, Aventis CropScience USA Inc., Chris-Craft Industries Inc., and Atkemix Thirty Seven Inc., companies that either owned or operated a DDT manufacturing plant in Los Angeles County.

Approximately \$30 million from the settlement, filed in U.S. District Court in Los Angeles, will be spent to restore natural resources, the largest sum ever paid for environmental injuries resulting from pollution other than oil. Another \$43 million from the settlement will be available to clean up the offshore contamination.

"This agreement brings an end to years of acrimonious litigation," said Lois Schiffer, Assistant Attorney General in charge of the Justice Department's Environment and Natural Resources Division. "It gives a critical boost for cleaning up contamination and restoring the natural resources that are essential to the health of California's coastal environment."

The U.S. Justice Department and the California Attorney General in 1990 filed suit under the federal Superfund law, alleging that the companies were responsible for releasing DDT and other hazardous substances into the environment. The lawsuit charged that the DDT injured natural resources, including fish and birds that live in and around coastal waters.

From 1947 until 1971, the Montrose plant discharged an estimated 1,800 tons of DDT into Los Angeles County sewers that empty into the Pacific Ocean. Montrose also dumped hundreds of tons of DDT-contaminated waste into the ocean near Santa Catalina Island.

The discharge of DDT through the sewer system created the largest known area of DDT contamination in the world. More than 110 tons of DDT remains in a 17-square-mile layer of contaminated sediment on the Palos Verdes shelf, an area of the ocean floor off the coast of Los Angeles.

The settlement filed today does not address the projected costs of cleaning up contamination near the Montrose plant in Torrance; only ocean contamination is addressed.

Those costs related to the cleanup at and near the Montrose plant will be resolved in a separate action.

The pesticide DDT, or dichloro-diphenyl trichloroethane, has been banned in the United States since 1972. DDT remains in the environment for years after use and concentrates in the tissues of fish and birds. Species at the top of the food chain receive the highest doses and can suffer reproductive problems. In particular, DDT causes thinning of the eggshells of birds including bald eagles, brown pelicans, and peregrine falcons, and as a result, the eggs may fail to hatch.

Montrose, at one time the world's largest manufacturer of DDT, was owned and operated by the predecessor company to Aventis CropScience USA, Inc., and by Chris-Craft Industries, Inc. and its predecessors. Atkemis Thirty-Seven currently owns the property where the now-defunct DDT plant is located.

Today's settlement brings the total amount recovered for environmental restoration to \$137.5 million. The United States and California previously reached similar settlements with County Sanitation District No. 2 of Los Angeles, which operated the sewers that conveyed the DDT to the ocean; about 150 municipalities that discharged other substances through the sewers; and three other corporate defendants – Potlatch, Simpson, and CBS/Westinghouse – that discharged PCBs through the sewers and into the ocean.

The restoration funds will be used by federal and state natural resource trustees -- including the National Oceanic and Atmospheric Administration, the U.S. Fish and Wildlife Service, the National Park Service, the State Lands Commission, the California Department of Fish and Game, and the California Department of Parks and Recreation -- on projects such as artificial reefs to provide new habitat for fish and a program to reintroduce bald eagles and peregrine falcons to Catalina and the other Channel Islands.

"The precedent-setting natural resources damage settlement, combined with the EPA's cleanup efforts, will enable the Fish and Wildlife Service and other natural resource trustees to restore bald eagles, peregrine falcons, and sea birds to the Channel Islands, where they were common until their populations were decimated by DDT in the 1940s and 1950s," said Mike Spear, manager of the U.S. Fish and Wildlife Service's California-Nevada Operations Office.

Today's settlement directs the companies to pay \$43 million to the U.S. EPA and the California Department of Toxic Substances Control for the purpose of capping or otherwise addressing the DDT-contaminated sediment. Alternately, up to \$10 million of this money could be used for restoration of natural resources, depending on the cost of the cleanup action that is ultimately chosen. Since 1996, the U.S. EPA has been the lead agency investigating the contamination.

"Thanks to the settlement, we now have the funding necessary to tackle head-on the DDT problem off the coast of Palos Verdes. For too long, this toxic pesticide has endangered the important habitat for everything from bald eagles to white croaker," said Keith Takata, director of the U.S. EPA's Superfund program in San Francisco. "This deal is good news for all who care about human health and our natural resources."

The U.S. EPA will continue an ongoing investigation into the feasibility and effectiveness of capping the contaminated sediment by burying it where it is, using clean, natural sediment as the capping material. The State of California will be involved in the remediation plan that is ultimately selected. The U.S. EPA plans to address human health risks from exposure to DDT contaminated fish from the site by working with local officials to improve enforcement of commercial fishing restrictions and increase awareness of recreational consumption advisories. The agency also plans to work with local community-based groups, markets and fishermen to develop monitoring programs that will focus on consumer awareness and cultural sensitivity.

DDT produced at the Montrose plant also has contaminated soil and groundwater on and around the Montrose property. The companies settling with the government today have previously paid more than \$6 million to reimburse the U.S. EPA for its past costs incurred in investigating and cleaning up the DDT contamination in the vicinity of the former Montrose plant. They also have undertaken approximately \$20 million worth of investigations and clean up of contaminated areas around the plant.

Today's proposed settlement will be published in the Federal Register. Any person may submit written comments during a 30-day comment period to the Assistant Attorney General, Environment and Natural Resources Division, U.S. Department of Justice, 950 Pennsylvania Avenue NW, Washington, DC 20530.

For more information about the contaminated area, the progress of cleanup, and scientific studies, visit the EPA's website at www.epa.gov/region09/features/pvshelf/

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